

Votes to pass bill that would strip anti-trust exemption for insurance companies

Washington, DC – Congressman John Adler today voted to pass bipartisan legislation that would repeal the special anti-trust exemption for health insurance and medical malpractice insurance companies. The bill passed 406 – 19, with all New Jersey Democrats and Republicans but one supporting it. Congressman Adler voted against the House health care reform bill late last year, arguing that it did not do enough to lower long-term health care costs for working Americans.

"Increasing competition in the health insurance industry is a step in the right direction," Congressman Adler said. "Hardworking New Jersey's families and small businesses deserve more choices and lower health care costs. Insurance companies should be held accountable to the same common sense rules as other industries. Price-fixing hurts consumers and must be prohibited."

The bill would end special treatment for the insurance industry that allows them to fix prices, collude with each other, and manipulate market allocations without fear of being investigated. In the last 14 years, there have been 400 mergers among health care insurers so that 95 percent of health insurance markets are "highly concentrated," which decreases consumer choice within the health insurance marketplace. This non-competitive market has led to health insurance premiums more than doubling in the past decade.